

and not shy away from our responsibility, a budget that addresses the needs of all Americans.

THE TRUTH ABOUT H.R. 5

(Mr. CROWLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CROWLEY. Mr. Speaker, people on the other side are trying to pass off caps on medical malpractice awards as good for patients and doctors. In reality, it is only good for insurance companies.

The truth is, capping medical malpractice awards does not mean insurance rates will fall. Compare average insurance premiums for States with damage caps versus premiums for States with no caps. For OB/GYN doctors, especially those hard hit by medical malpractice awards, we find that OB/GYNs in States without caps pay only 3.4 percent more than their counterparts in States with award caps.

General surgery doctors actually pay \$602 more, not less, in States that have caps in medical malpractice awards.

Governor Jeb Bush's own CFO was quoted 2 weeks ago saying that medical malpractice insurance is rising in Florida because insurance companies are trying to make up losses in a soft economy.

Capping medical malpractice awards will not cause insurance rates to go down. Capping medical malpractice awards is simply a handout to the insurance industry at the expense of innocent patients and victims.

ASSASSINATION OF SERBIAN PRIME MINISTER ZORAN DJINDJIC

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Mr. Speaker, I rise today with a heavy heart to condemn in the strongest possible terms the assassination of Serbian Prime Minister Zoran Djindjic.

As a Member of Congress, I express my condolences to the government of Serbia and Montenegro and to the family of the late Prime Minister. Mr. Djindjic was one of the driving forces behind the extradition of Slobodan Milosevic to the Hague for war crimes, and also favored increased political and economic cooperation with the West.

Mr. Speaker, I think it is our responsibility to encourage the government of Serbia and Montenegro to hold all of those responsible for the assassination accountable and to continue their work for economic reform and full cooperation with the War Crimes Tribunal, including the turning over of those indictees who still remain at large and cooperation on the witnesses and the information that is needed.

Again, Mr. Speaker, we offer our condolences to the family.

APPOINTMENT OF MEMBERS TO JOINT ECONOMIC COMMITTEE

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to 15 U.S.C. 1024(a) and the order of the House of January 8, 2003, the Chair announces the Speaker's appointment of the following Members of the House to the Joint Economic Committee:

Mr. STARK of California,
Mrs. MALONEY of New York,
Mr. WATT of North Carolina,
Mr. HILL of Indiana.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions may be taken in two groups, the first occurring before debate has concluded on motions to suspend the rules and the second after debate has concluded on remaining motions.

HOSPITAL MORTGAGE INSURANCE ACT OF 2003

Mr. GARY G. MILLER of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 659) to amend section 242 of the National Housing Act regarding the requirements for mortgage insurance under such Act for hospitals, as amended.

The Clerk read as follows:

H.R. 659

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hospital Mortgage Insurance Act of 2003".

SEC. 2. STANDARDS FOR DETERMINING NEED AND FEASIBILITY FOR HOSPITALS.

(a) IN GENERAL.—Paragraph (4) of section 242(d) of the National Housing Act (12 U.S.C. 1715z-7) is amended to read as follows:

"(4)(A) The Secretary shall require satisfactory evidence that the hospital will be located in a State or political subdivision of a State with reasonable minimum standards of licensure and methods of operation for hospitals and satisfactory assurance that such standards will be applied and enforced with respect to the hospital.

"(B) The Secretary shall establish the means for determining need and feasibility for the hospital. If the State has an official procedure for determining need for hospitals, the Secretary shall also require that such procedure be followed before the application for insurance is submitted, and the application shall document that need has also been established under that procedure."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this subsection (a) shall take effect and apply as of the date of the enactment of this Act.

(2) EFFECT OF REGULATORY AUTHORITY.—Any authority of the Secretary of Housing and Urban Development to issue regulations to carry out the amendment made by sub-

section (a) may not be construed to affect the effectiveness or applicability of such amendment under paragraph (1) of this subsection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. GARY G. MILLER) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. GARY G. MILLER).

GENERAL LEAVE

Mr. GARY G. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to include extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GARY G. MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

I rise in strong support of H.R. 659, the Hospital Mortgage Insurance Act of 2003, and I urge my colleagues to vote in favor of this important legislation.

This legislation would give the Department of Housing and Urban Development the authority to provide FHA mortgage insurance to hospitals across the country which are currently ineligible for the insurance due to the lack of a State Certificate of Need Program.

The reduced costs for these hospitals will allow the modernization and rehabilitation of medical facilities across the country.

We have all heard from hospitals in our districts about the significant challenge they are facing in providing care to patients who are covered by Medicare and Medicaid. Hospital budgets are further strained as improvements in technology and health care knowledge require capital improvements such as additions and renovations to existing buildings.

The need for capital improvements at hospitals will continue to grow as hospitals are increasingly under pressure to acquire state of the art equipment and expand services.

We all know that modern health care facilities can improve the quality of life and the health of the population, yet financing for these new improvements at hospital facilities is often not readily available.

To assist States in providing modern health care facilities, Congress created section 242 of the National Housing Act.

Section 242 permits FHA to insure mortgages used to finance the replacement, modernization, and rehabilitation of inefficient existing hospital facilities. Hospitals benefit from the low interest rate costs attributable to FHA-insured financing.

Under the 1968 law, to be eligible for section 242 financing a hospital must obtain a Certificate of Need from a designated State agency. The Certificate

of Need determines whether the hospital applying for the loan meets certain eligibility requirements for the receipt of the FHA loan guarantee.

In the absence of Certificate of Need authority, a State is allowed to commission a feasibility study. In addition, the hospital is required to demonstrate that there is a reasonable State or local minimum licensing and operating standard in effect.

The Certificate of Need Program is established to control the number of hospital beds and expenditures. When the Federal Certificate of Need Program began, 49 States enacted legislation for its Certificate of Need Program. Louisiana was the only State that did not.

As a result of continuing Federal policies encouraging deregulation, Certificate of Need authority has sunsetted in some States. In fact, over the last 20 years, at least 18 States have repealed the Certificate of Need Programs.

My own State of California does not have a Certificate of Need process. Therefore, it is far more difficult for hospitals to secure FHA-insured financing.

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Under this new legislation, California would be put on a level playing field with other States.

Even in States that have retained the Certificate of Need authority, some projects do not qualify. In States that do not have a Certificate of Need program, the relevant State agency often lacks the authority to commission alternative feasibility studies. The result of this is many States simply do not have access to this lower-cost FHA-insured financing.

In fact, of the 64 hospital mortgages FHA currently insures under this program, only four are located in non-Certificate of Need States. Obviously, the section 242 program must be changed so that FHA-insured financing is accessible to hospitals in all States.

H.R. 659 would give HUD the authority to establish a process for determining the need and feasibility for a hospital's proposed project, thus eliminating the requirement for States to provide a feasibility study where no Certificate of Need exists.

This is an important bill that makes the necessary changes to ensure that the section 242 program is a viable program for all States. Again, I urge my colleagues to support this legislation and ensure that FHA-insured financing is available in each State for the purpose of building new hospitals.

Mr. Speaker, I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 659; and I would like to thank the subcommittee chairman, the gentleman from Ohio (Mr. NEY), and our chairman of the committee, the gentleman from Ohio (Mr. OXLEY), for expediting this

legislation, because it is certainly needed.

I stand in strong support because FHA insures hospitals certainly under the section 242 loan program. The funding year 2004 administration budget is requesting the authority to insure \$700 million of such hospital loans in funding year 2004. Decade-old statutory language authorizing FHA-hospital loans requires as a condition of a loan a State certification that there is a need for the hospital, or if no State procedure exists for such a certification, the State must commission an independent study of market need and feasibility.

H.R. 659 addresses that concern that this Certificate of Need requirement makes it difficult, if not impossible, for hospitals in many States, including California, as was mentioned, to be eligible for FHA loans.

This bill replaces existing statutory requirements with one that simply requires the HUD Secretary to establish a means for determining need and feasibility for any hospitals applying for a loan, with a proviso that a hospital located in any State with an official procedure for determining need, that a Certificate of Need must follow that procedure.

So I think that it has been well stated that the need is there. There are so many States that are waiting on us to provide them the opportunity to have access to this insurance, and I would ask for an "aye" vote.

Mr. OXLEY. Mr. Speaker, I rise in strong support of H.R. 659, the Hospital Mortgage Insurance Act of 2003 and urge my colleagues support.

The Committee on Financial Services unanimously approved this legislation on February 13, 2003. H.R. 659 amends Section 242 of the National Housing Act to ensure that every state will be eligible for FHA insured financing to build new hospitals or renovation and updates existing hospitals. The version we are considering today includes an amendment that will make this legislation effective immediately.

Back in 1968, Congress enacted Section 242 in recognition that hospitals were in need of low cost financing in order to fund capital improvements such as additions and renovations to existing buildings, and in some cases to build new hospitals. In order to be eligible for the financing, the 1968 law required the hospital to obtain a certificate of need or to perform a feasibility study. However, over the years, as part of the effort to encourage deregulation, certificate of needs authority has sunset in some states.

H.R. 659 recognizes the fact that many states no longer have certificate of needs authority or the mechanisms in place for feasibility studies. It sets up a more simplified process for states to be eligible for the low-cost FHA insured financing.

H.R. 659 will help to assure that quality, affordable health care is more accessible to rural and urban American communities where conventional financing may not be readily available.

According to the Congressional Budget Office, enacting this legislation would result in \$2 million to \$3 million of additional collections each year, which will offset any additional

costs associated with this change in the program.

I want to thank Housing Subcommittee Chair BOB NEY and Ranking Member MAXINE WATERS for their leadership on this important bill. Mr. Speaker, this is a good bill and I urge member's support.

Ms. WATERS. Mr. Speaker, I yield back the balance of my time.

Mr. GARY G. MILLER of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from California (Mr. GARY G. MILLER) that the House suspend the rules and pass the bill, H.R. 659, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. GARY G. MILLER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

AUTOMATIC DEFIBRILLATION IN ADAM'S MEMORY ACT

Mr. SHIMKUS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 389) to authorize the use of certain grant funds to establish an information clearinghouse that provides information to increase public access to defibrillation in schools.

The Clerk read as follows:

H.R. 389

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Automatic Defibrillation in Adam's Memory Act".

SEC. 2. AMENDMENT TO PUBLIC HEALTH SERVICE ACT.

Subsection (c) of section 312 of the Public Health Service Act (42 U.S.C. 244), as amended by Public Law 107-188, is amended—

(1) at the end of paragraph (5), by striking "and";

(2) by redesignating paragraph (6) as paragraph (7); and

(3) by inserting after paragraph (5) the following:

"(6) establish an information clearinghouse that provides information to increase public access to defibrillation in schools; and".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. SHIMKUS) and the gentleman from Louisiana (Mr. JOHN) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. SHIMKUS).

GENERAL LEAVE

Mr. SHIMKUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material on H.R. 389.